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(D. Froman)

MEMBER FDIC  
EQUAL HOUSING LENDER

October 6, 2005

Mr. John F. Carter  
Regional Director  
Federal Deposit Insurance Corporation  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, CA 95105

**Re: Comments Regarding FDIC Application #20051977; Wal-Mart  
Application for Insurance and Industrial Bank Charter**

Dear Mr. Carter:

I am writing to oppose the application of Wal-Mart Stores, Inc., for Federal deposit insurance coverage for an ILC charter in Utah. As a community banker, I strongly believe that allowing Wal-Mart to own a bank charter and potentially open branches in its network of stores would do irreparable harm to communities and institutions, as well as posing a severe systemic risk to our nation's economy.

It is my understanding that Wal-Mart intends to operate a limited ILC charter in the State of Utah. This is Wal-Mart's fourth attempt to get into the banking business. I am skeptical as to their assurances that the operation will remain narrow ring hollow in the context of the company's history and corporate philosophy. Wal-Mart's CEO expressed his desire to grow the company and provide financial services to its customers. It is not much of a stretch to conclude that somewhere down the road, Wal-Mart will be amending its business plan to allow it to offer a full array of banking services.

Wal-Mart has a long history of destabilizing communities by undercutting prices of local merchants and driving them out of business versus becoming civic partners with local merchants. For example, following Wal-Mart's entering Iowa, 50% of clothing stores, 30% of hardware stores, 42% of variety stores, 26% of department stores, and 25% of building materials stores were driven out of business. The economic consequences on the state of Iowa have been long lasting.

The largest company in the world could do the same thing to community banks. The FDIC would be ill-advised to set this nation on a course that could result in the demise of the community banking industry as we know it today.

Congress has reaffirmed our nation's long standing policy against the mixing of banking and commerce, and with good reason. Mixing banking and commerce would create serious conflicts of interest and distort credit decisions.

More importantly, for the largest company in the world own a bank would produce a dangerous concentration of economic power and resources that would pose severe systemic risks to our economy. The liability exposure to the FDIC fund would be enormous and with detrimental results on the entire financial system. Our nation cannot afford to take that risk.

For the sake of our nation's community banks, customers and the communities we serve, please do not allow Wal-Mart to get into the banking business. Make a statement for fair competition and consumer choice by denying Wal-Mart's application for deposit insurance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bob Page', with a stylized flourish at the end.

Bob Page, President  
Alarion Bank – Alachua County